GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:3239
ANSWERED ON:16.08.2005
NEW LEGISLATION ON SMALL AND MEDIUM INDUSTRIES DEVELOPMENT BILL
Moorthy Shri A.K.;Ramadass Prof. M;Reddy Shri Karunakara G.

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a): whether the Association of Chamber and Commerce of Southern States has requested the Government to bring a new legislation for small and tiny industries in place of the Small and Medium Industries Development Bill, 2005;

(b): if so, the details thereof;

(c): the present criteria adopted for declaring the small, tiny and medium industries; and

(d): the time by which final decision in this regard is likely to be taken?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES(SHRI MAHABIR PRASAD)

(a)&(b): No, Sir.

(c): Industries having investment in plant and machinery, excluding land and building, not exceeding Rs. 1 crore are currently classified as `small scale industries` (SSI) under the provisions of the Industries (Development & Regulation) Act, 1951. However, for SSI manufacturing 71 select products, this limit has been enhanced to Rs. 5 crore. Tiny industries, a sub-set of the SSI, are defined as those having investment in plant and machinery upto Rs. 25 lakh. The category of `medium industry` is presently not defined.

(d): The Small and Medium Enterprises Development Bill, 2005 was introduced in the Lok Sabha on 12 May, 2005